MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (X) HCP ( ) IE ( ) IC	**Response Timely Filed?** () Yes (X No
Requestor Vista Medical Center Hospital 4301 Vista Rd. Pasadena, TX 77504	MDR Tracking No.: M4-03-6199-01 TWCC No.: Injured Employee's Name:
Respondent's TPCIGA for Credit General Indemnity Co. Rep. Box # 50	Date of Injury: Employer's Name: MR Industries, Inc. Insurance Carrier's No.: 2137222829

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
5-6-02	5-13-02	Inpatient Hospitalization	$83,390.97	$0.00

PART III: REQUESTOR'S POSITION SUMMARY

Carrier has not provided the proper payment exception code in this instance, which in violation of the TWC Administrative Code.

PART IV: RESPONDENT'S POSITION SUMMARY

Vista has already been reimbursed a fair and reasonable amount in accordance with section 413.011 of the Act. Therefore, it is not entitled to additional reimbursement.

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed $40,000 in total audited charges, but also involve "unusually extensive services."

The operative report indicates that claimant underwent: Removal of hardware; exploration of fusion mass; excision of pseudoarthrosis; bilateral laminectomy L4 to S2; foraminotomies L4 to S2 bilaterally; anterior fusion from posterior approach L5-S1; lateral transverse fusion L5-S2; bilateral lateral instrumentation L5-S1; lateral transverse fusion L5-S2, posterior lateral facet fusion L5-S2; partial excision of spinous process of L4 and most of S1; fat graft L4-S2; closure of muscle flap with closure of seroma and dead space L4-S2; and skin and subcutaneous flap for reinforcement of seroma and closure of secondary dead space from seromatous formation.

After reviewing the documentation provided by both parties, it **does** appear that this particular admission involved "unusually extensive services." In particular, this admission resulted in a hospital stay of 7 days based upon extensive surgery.

The requestor billed $157,830.30 for the hospitalization. In determining the total audited charges, it must be noted that the insurance carrier has indicated some question regarding the charges for the implantables, usual and customary charges, unbundling, documentation and unrelated. The requestor billed $29,260.00 for the implantables. The actual cost for the implants per invoice was $3290.00.

The requestor also billed $5422.00 for a back brace, and actual cost was $1025.00.

$157,830.30 minus $29,260.00 = $128,570.30. This number minus charges for LSO back brace of 5,422.00 = $123,148.30. The insurance carrier's usual and customary charges reduction of $97,515.88 = $25,632.42.

Corvel's line by line audit audit charges = $25,632.42 plus the $3619.00 (implantables cost + 10%) plus $1127.50 (LSO back brace) = $30,378.92.

Corvels' line by line audit raised issues of excessive charges, unbundling, not documented, and unrelated issues. The requestor did not submit persuasive documentation to challenge this audit. Since total audit charges do not exceed $40,000, per diem reimbursement methodology applies.

The insurance carrier audited the bill and paid $34,981.82 for the inpatient hospitalization.

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services.

PART VI: COMMISSION DECISION AND ORDER

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Decision by:

	Elizabeth Pickle	April 21, 2005
Authorized Signature	Typed Name	Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on _____. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____